

LEGISLATIVE RESEARCH COMMISSION

Public Transit



REPORT TO THE
1998 SESSION OF THE
1997 GENERAL ASSEMBLY
OF NORTH CAROLINA

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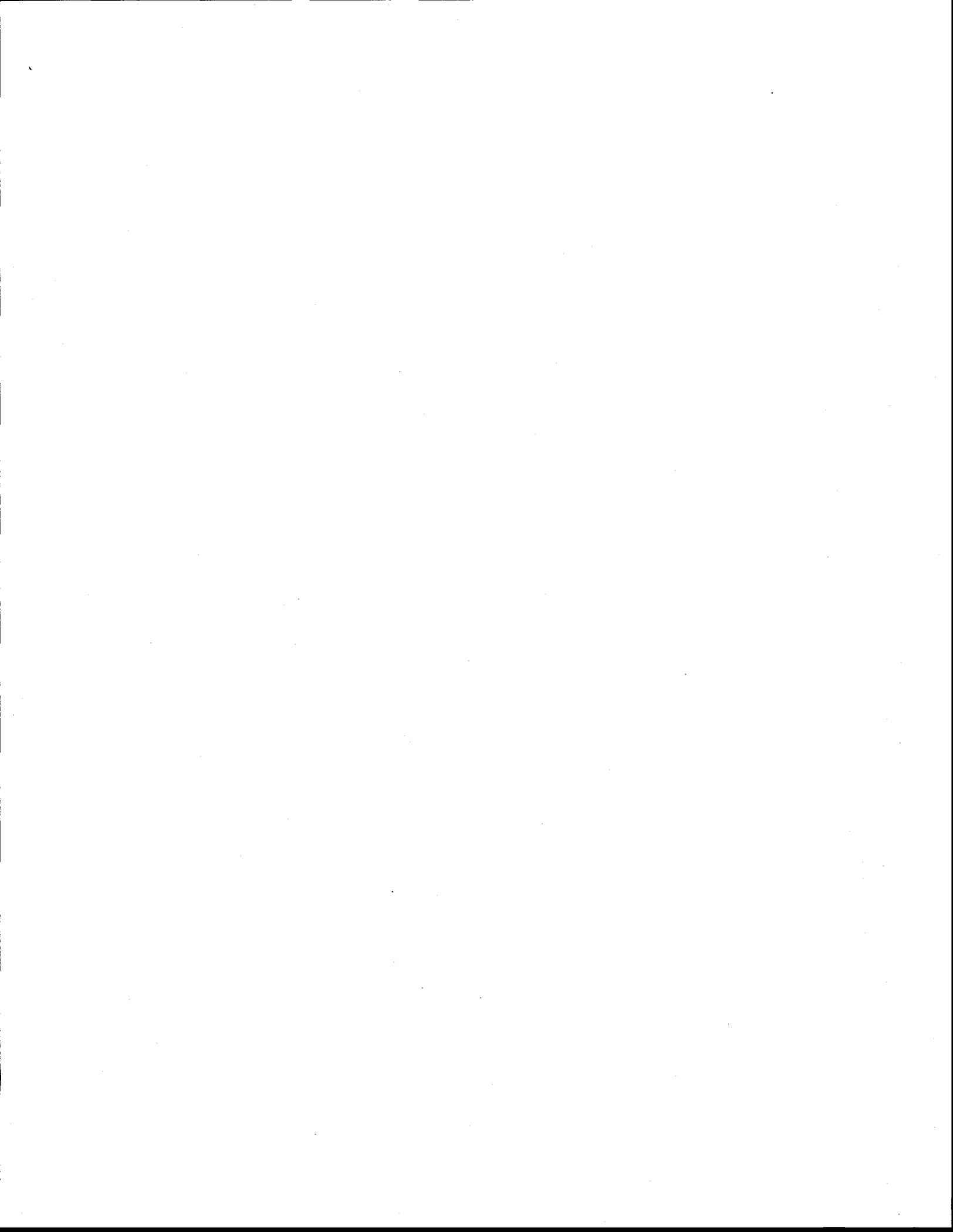
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STATE OF NORTH CAROLINA
LEGISLATIVE RESEARCH COMMISSION
STATE LEGISLATIVE BUILDING
RALEIGH 27601-1096

May 11, 1998

TO THE MEMBERS OF THE 1997 GENERAL ASSEMBLY (REGULAR SESSION 1998):

The Legislative Research Commission herewith submits to you for your consideration its interim report on Public Transit. The report was prepared by the Legislative Research Commission's Committee on Public Transit pursuant to G.S. 120-30.17(1).

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Harold J. Brubaker", written over a horizontal line.

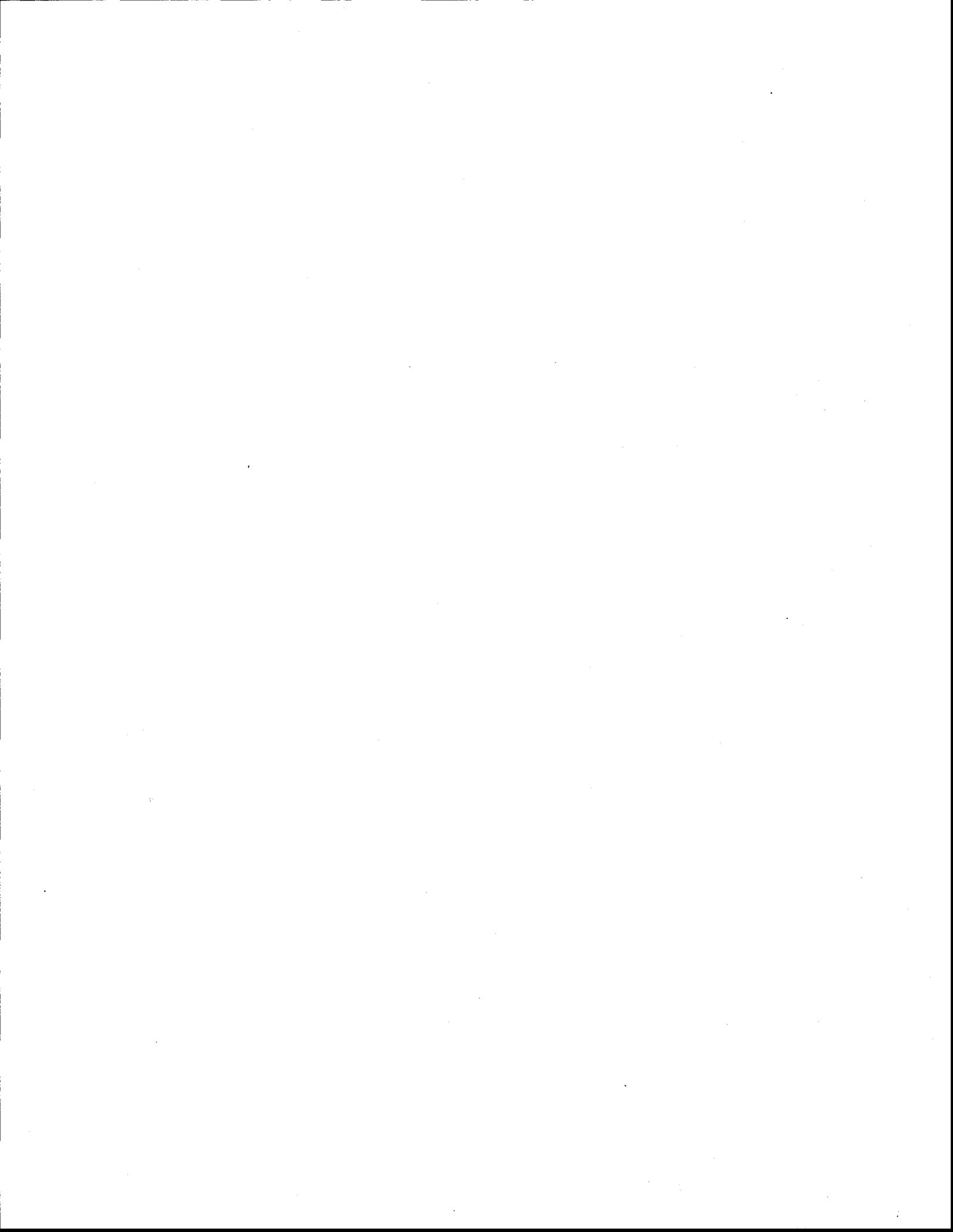
Harold J. Brubaker
Speaker of the House

A handwritten signature in cursive script, appearing to read "Marc Basnight", written over a horizontal line.

Marc Basnight
President Pro Tempore

Cochair
Legislative Research Commission





1997-1999

LEGISLATIVE RESEARCH COMMISSION

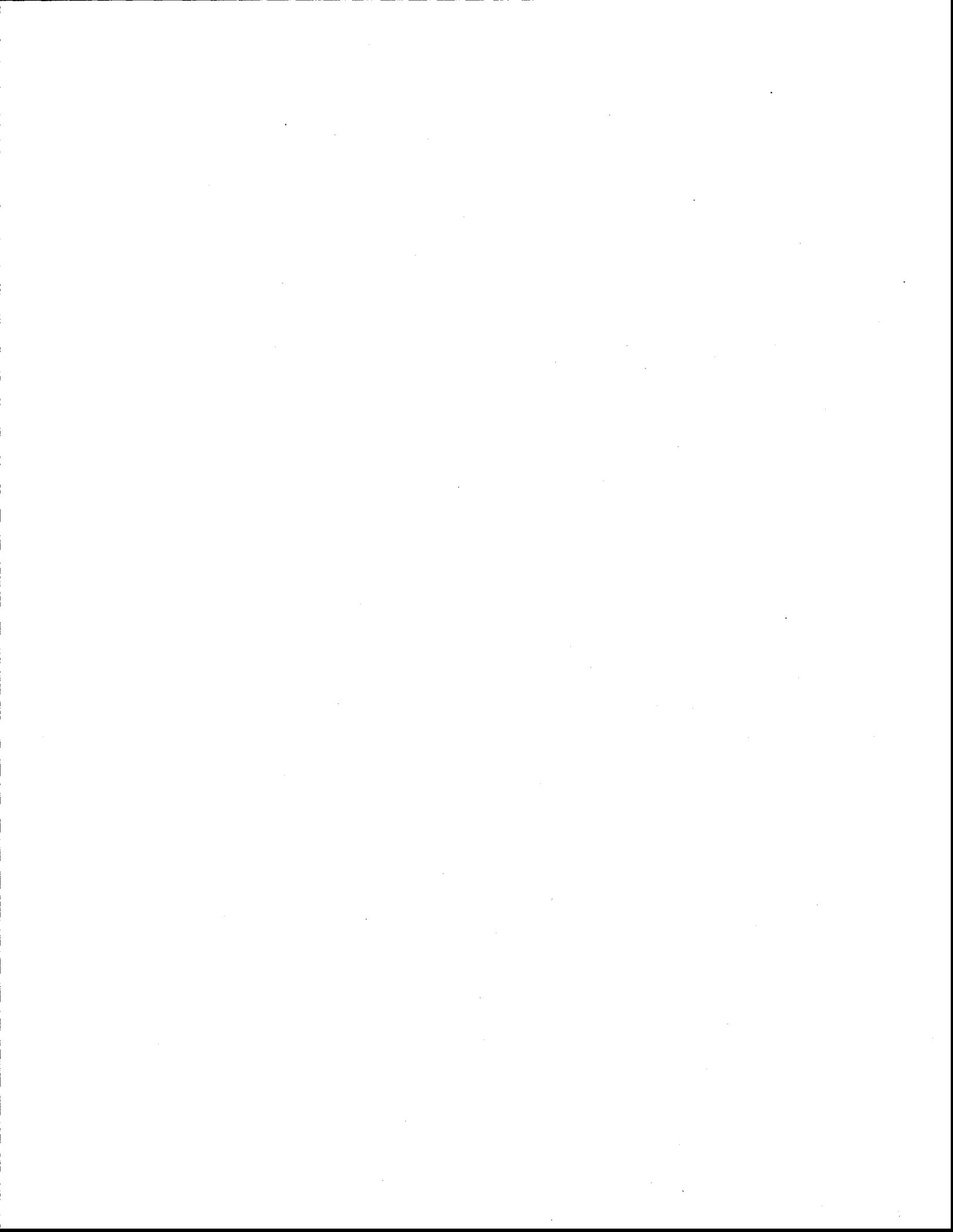
MEMBERSHIP

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Speaker of the House of Representatives
Harold J. Brubaker, Cochair

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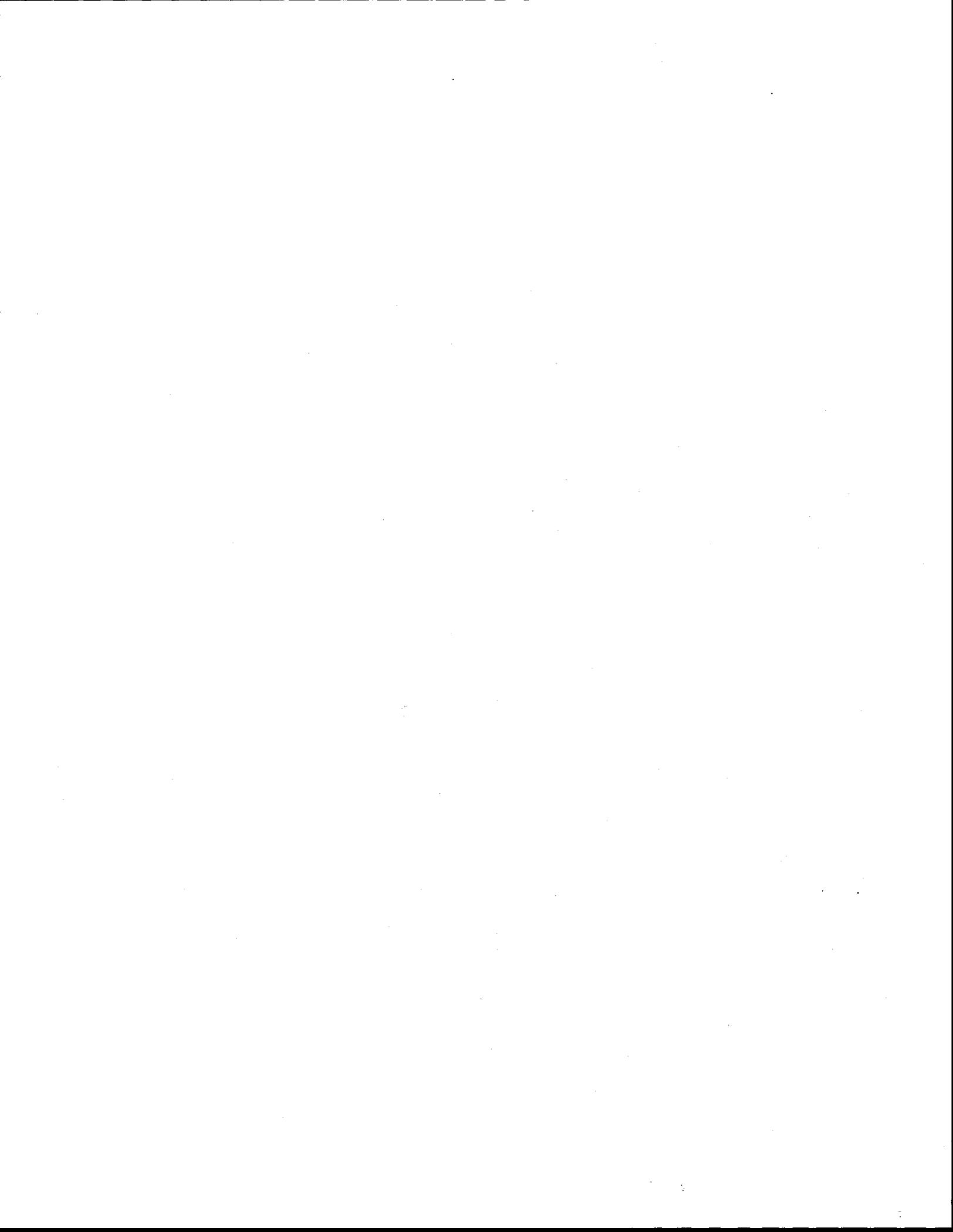


PREFACE

The Legislative Research Commission, established by Article 6B of Chapter 120 of the General Statutes, is the general purpose study group in the Legislative Branch of State Government. The Commission is cochaired by the Speaker of the House and the President Pro Tempore of the Senate and has five additional members appointed from each house of the General Assembly. Among the Commission's duties is that of making or causing to be made, upon the direction of the General Assembly, "such studies of and investigations into governmental agencies and institutions and matters of public policy as will aid the General Assembly in performing its duties in the most efficient and effective manner" (G.S. 120-30.17(1)).

The Legislative Research Commission, prompted by actions during the 1997 Session, has undertaken studies of numerous subjects. These studies were grouped into broad categories and each member of the Commission was given responsibility for one category of study. The Cochairs of the Legislative Research Commission, under the authority of G.S. 120-30.10(b) and (c), appointed committees consisting of members of the General Assembly and the public to conduct the studies. Cochairs, one from each house of the General Assembly, were designated for each committee.

The study of Public Transit was authorized by Section 2.8 of Chapter 483 of the 1997 Session Laws. The relevant portions of Chapter 483 are included in Appendix A. The Legislative Research Commission authorized this study under authority of G.S. 120-30.17(1) and grouped this study in its Business Development, Commerce, and Transportation Grouping area under the direction of Representative McCombs. The Committee was chaired by Senator Wib Gulley and Representative Connie Wilson. The full membership of the Committee is listed in Appendix B of this report. A committee notebook containing the committee minutes and all information presented to the committee is filed in the Legislative Library.



COMMITTEE PROCEEDINGS

Note: the following is a brief summary of the Committee's proceedings.

Detailed minutes of each Committee meeting are available in the Legislative Library.

Meeting on December 9, 1997

The first meeting of the LRC Public Transit Committee was held December 9, 1997 at 10:00 a.m. in room 415 of the Legislative Office Building. The committee's first presentation was made by Karl Knapp, Fiscal Research Division, who gave an update on the status of the (then proposed) North Carolina Railroad buyout. Mr. Knapp then presented an overview of public transit and rail funding prior to the 1997 session. Mr. David King, (then) Deputy Secretary of Transportation, was recognized next to present a summary of the Transit 2001 10-year rail and public transit plan. Mr. Knapp followed with a summary explanation of the 1997 increase in Public Transportation and Rail funding, and a summary of non-State public transit funding sources.

Meeting on January 7, 1998

The second meeting of the Committee was held January 7, 1998 at 1:00 p.m. in room 415 of the Legislative Office Building. The meeting began with a summary by Giles Perry, Committee Counsel, of House Bill 1231 from the 1997 Session. House Bill 1231 authorized several new local funding options for public transportation. The Committee next heard presentations on "Design, Demand and Financing for New Regional Transit Systems" from Mr. Brent McKinney of the Winston Salem Department of Transportation; Mr. Boyd Cauble of the City of Charlotte, and Mr. Cal Horton, Chapel Hill Town

Manager. Ms. Kelly Goforth of the Triangle Transit Authority was then recognized to present the regional transit plan of the Triangle Transit Authority. Following this presentation, the Committee heard from Ms., Dotty Schmit of KARTS and Pat Melvin of New Hanover County on rural and county transportation systems, financing, and needs. Mr. Mark Ahrenson, City of Durham next presented an overview of small, and large urban transit services, financing, and needs. The committee concluded the meeting with a presentation from Mr. John Tippet of the Western Piedmont Council of Governments, and Mr., Michael Bradshaw, Piedmont Wagon Transit, on small urban transit issues.

Meeting on February 10, 1998

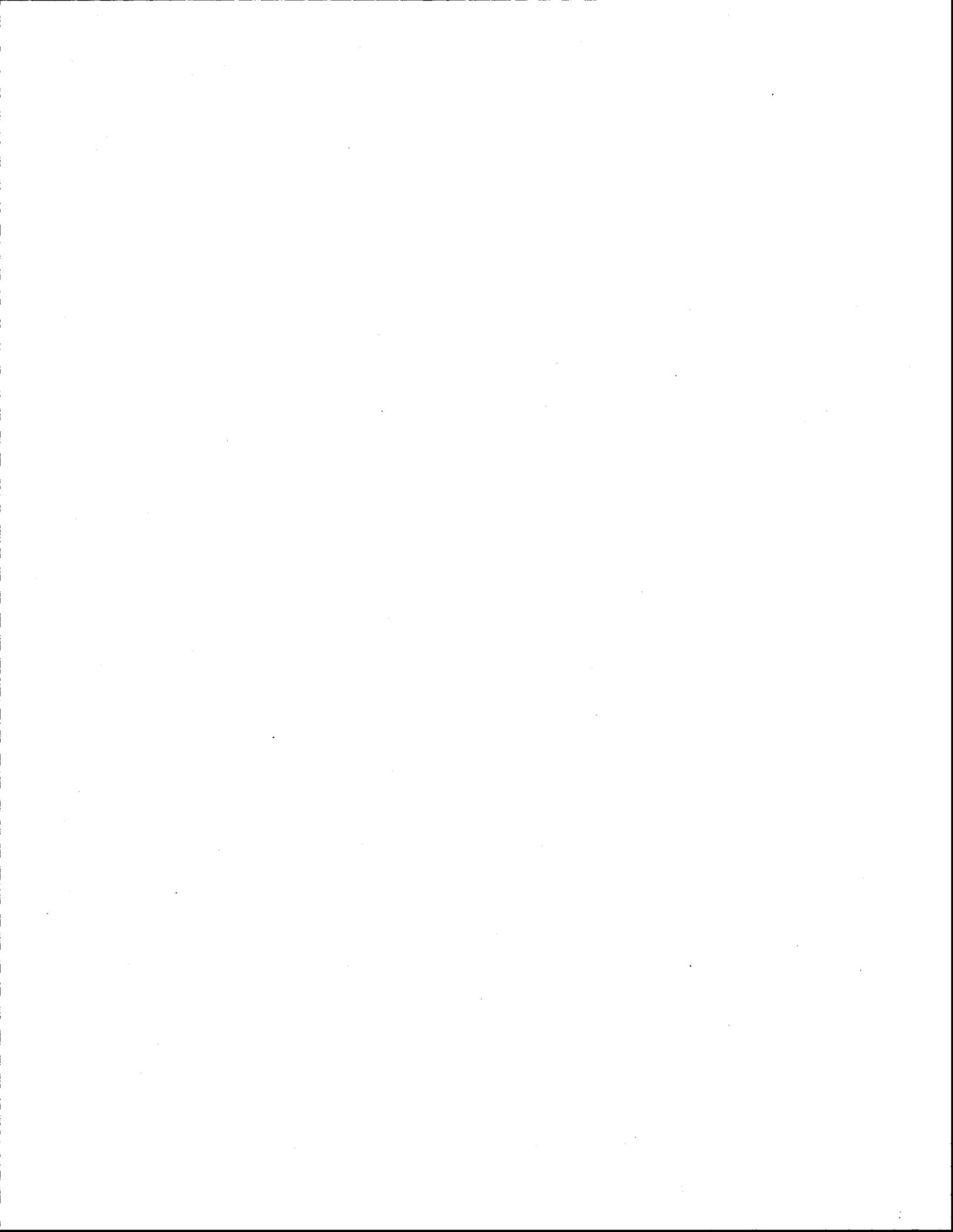
The third meeting of the Committee was held February 10, 1998 at 10:00 a.m. in Room 421 of the Legislative Office Building. The Committee's first presentation was from Mr. Patrick Simmons, DOT Rail Division, who presented an overview of the study entitled "Demand, Design and Financing for Intercity Passenger Rail Service." Mr. Mike Bolton, ITRE, next gave an overview of how to improve public transit through the use of technology, as recommended by the Transit 2001 Commission. Ms. Pat Moss, NC Coalition for Public Transportation, was then recognized to present her organization's support for dedicated sources of funds for local public transit. The Committee concluded its meeting with a presentation from Mr. Karl Knapp, Fiscal Research Division, who summarized the status of funding for the Transit 2001 recommendations.

Meeting on March 12, 1998

The fourth meeting of the Committee was held March 12, 1998 at 1:00 p.m. in Room 421 of the Legislative Office Building. The Committee first heard from Ms. Juanita Shearer-Swink of the Triangle Transit Authority, who made presentation on the role of transit in shaping growth and development patters. Ms. Shearer-Swink was followed by Mr. Paul Norby of the Durham City/County Planning Department, who presented the Durham 2020 Transportation plan. He explained that the plan addresses the link between land use and transportation needs, from a local perspective. Next, Mr. Patrick Simmons of the DOT Rail Division presented and update on the rail corridor preservation efforts of the department. Mr. Sanford Cross was recognized next to continue explanation of the Public Transportation/Rail funding chart requested by the Committee. The Committee meeting concluded with a summary of the methodology used in DOT's Piedmont High Speed Rail proposal, presented by Mr. Patrick Simmons of DOT.

Meeting on April 14, 1998

The fifth meeting of the Committee was held April 14, 1998 at 1:30 p.m. in room 421 of the Legislative Office Building. The Committee received an update from the Public Transportation and Rail staff of DOT, Sanford Cross and Pat Simmons, on the funding chart requested by the Committee, showing actual funding v. funding proposed under the 2001 plan. Following this presentation, the Committee reviewed and approved the proposed legislation included in this report.



FINDINGS AND RECOMMENDATIONS

The Committee recommends the following legislation:

Proposal 1

A BILL TO BE ENTITLED AN ACT TO AUTHORIZE TAX OFFICIALS TO SHARE TAX INFORMATION TO FACILITATE COLLECTION OF VEHICLE RENTAL TAXES.

Proposal 2

A BILL TO BE ENTITLED AN ACT TO AUTHORIZE CERTAIN PUBLIC ENTITIES TO PROTECT RIGHTS-OF-WAY FOR FUTURE PUBLIC TRANSIT DEVELOPMENT.

Proposal 3

A BILL TO BE ENTITLED AN ACT TO AUTHORIZE THE DEPARTMENT OF TRANSPORTATION TO CREATE TRANSPORTATION CORRIDORS AND PROTECT THEM FROM DEVELOPMENT.

Proposal 4

A BILL TO BE ENTITLED AN ACT TO AUTHORIZE REGIONAL TRANSIT AUTHORITIES TO USE INSTALLMENT PURCHASE FINANCING.

Proposal 5

A BILL TO BE ENTITLED AN ACT TO PROVIDE AN ALTERNATIVE PROCUREMENT BY COMPETITIVE PROPOSAL PROCEDURE FOR THE PURCHASE OF

APPARATUS, SUPPLIES, MATERIALS, OR EQUIPMENT BY A REGIONAL PUBLIC TRANSPORTATION AUTHORITY OR A REGIONAL TRANSPORTATION AUTHORITY.

Proposal 6

A BILL TO BE ENTITLED AN ACT TO DIRECT THE STATE AUDITOR TO CONDUCT A PERFORMANCE AUDIT OF THE PUBLIC TRANSPORTATION AND RAIL DIVISIONS OF THE DEPARTMENT OF TRANSPORTATION

Proposal 7

A BILL TO BE ENTITLED AN ACT TO REPEAL THE REQUIREMENT THAT DOT REIMBURSE THE GENERAL FUND FOR SALES AND USE TAX REVENUE THAT IS NOT REALIZED BY THE FUND AS A RESULT OF THE DOT EXEMPTION FROM THE SALES AND USE TAX.

The full text of the Committee's recommendations, and a summary of each, is included in the appendix.

APPENDIX A
CHAPTER 483
1997 Session Laws

AN ACT TO AUTHORIZE STUDIES BY THE LEGISLATIVE RESEARCH COMMISSION, TO CREATE AND CONTINUE VARIOUS COMMISSIONS, TO CONTINUE A COUNCIL, TO DIRECT STATE AGENCIES AND LEGISLATIVE OVERSIGHT COMMITTEES AND COMMISSIONS TO STUDY SPECIFIED ISSUES, AND TO IMPOSE A MORATORIUM ON SERVICE CORPORATION CONVERSIONS.

The General Assembly of North Carolina enacts:

PART I.-----TITLE

Section 1. This act shall be known as "The Studies Act of 1997".

PART II.-----LEGISLATIVE RESEARCH COMMISSION

...

Section 2.8. Public Transit (Gulley). The Legislative Research Commission may study public transit in the State including the following: (i) review and validate present and future public transit funding needs; (ii) evaluate the economic impact of public transit on the State and its various regions; (iii) evaluate the appropriate roles of local, regional, State, and federal governments in funding public transit; and (iv) short- and long-range funding solutions.

...

Section 2.11. Committee Membership. For each Legislative Research Commission committee created during the 1997-98 biennium, the cochairs of the Legislative Research Commission shall appoint the committee membership.

Section 2.12. Reporting Date. For each of the topics the Legislative Research Commission decides to study under this Part or pursuant to G.S. 120- 30.17(1), the Commission may report its findings, together with any recommended legislation, to the 1997 General Assembly, 1998 Regular Session, or the 1999 General Assembly.

Section 2.13. Funding. From the funds available to the General Assembly, the Legislative Services Commission may allocate additional monies to fund the work of the Legislative Research Commission.

...

PART XVII.-----EFFECTIVE DATE AND APPLICABILITY

Section 17.1. Except as otherwise specifically provided, this act becomes effective July 1, 1997. If a study is authorized both in this act and the Current Operations Appropriations Act of 1997, the

study shall be implemented in accordance with the Current Operations Appropriations Act of 1997 as ratified.

In the General Assembly read three times and ratified this the 28th day of August, 1997.

s/ Marc Basnight
President Pro Tempore of the Senate

s/ Harold J. Brubaker
Speaker of the House of Representatives

s/ James B. Hunt, Jr.
Governor

Approved 11:00 a.m. this 10th day of September, 1997.

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PUBLIC TRANSIT COMMITTEE
1997-1999**

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PROPOSAL #1

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

S

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98-LC-258(2.6)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)

Short Title: Rental Tax Information Sharing.

(Public)

Sponsors: Senator Gulley.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE TAX OFFICIALS TO SHARE TAX INFORMATION TO
3 FACILITATE COLLECTION OF VEHICLE RENTAL TAXES.

4 The General Assembly of North Carolina enacts:

5 Section 1. G.S. 105-259(b) is amended by adding a new
6 subdivision to read:

7 "(21) To exchange information regarding the taxes on
8 leased vehicles imposed by G.S. 105-187.5 and
9 Article 50 of this Chapter with a regional public
10 transportation authority or a regional
11 transportation authority created pursuant to
12 Article 26 or Article 27 of Chapter 160A of the
13 General Statutes, when the information is needed
14 to fulfill a duty imposed on the authority or on
15 the Department of Revenue."

16 Section 2. G.S. 153A-148.1(a) is amended by adding a
17 new subdivision to read:

18 "(4) To exchange information regarding taxpayers
19 subject to the vehicle rental tax imposed by
20 Article 50 of this Chapter with a regional public
21 transportation authority or a regional
22 transportation authority created pursuant to
23 Article 26 or Article 27 of Chapter 160A of the
24 General Statutes, when the information is needed

1 to fulfill a duty imposed on the authority or on
2 the county."
3 Section 3. This act is effective when it becomes law.

PROPOSAL #1
SUMMARY
Rental Tax Information Sharing

This draft bill authorizes the Department of Revenue and county tax officials to share information with regional transit authorities to facilitate collection of the vehicle rental tax. The bill would be effective when it becomes law.

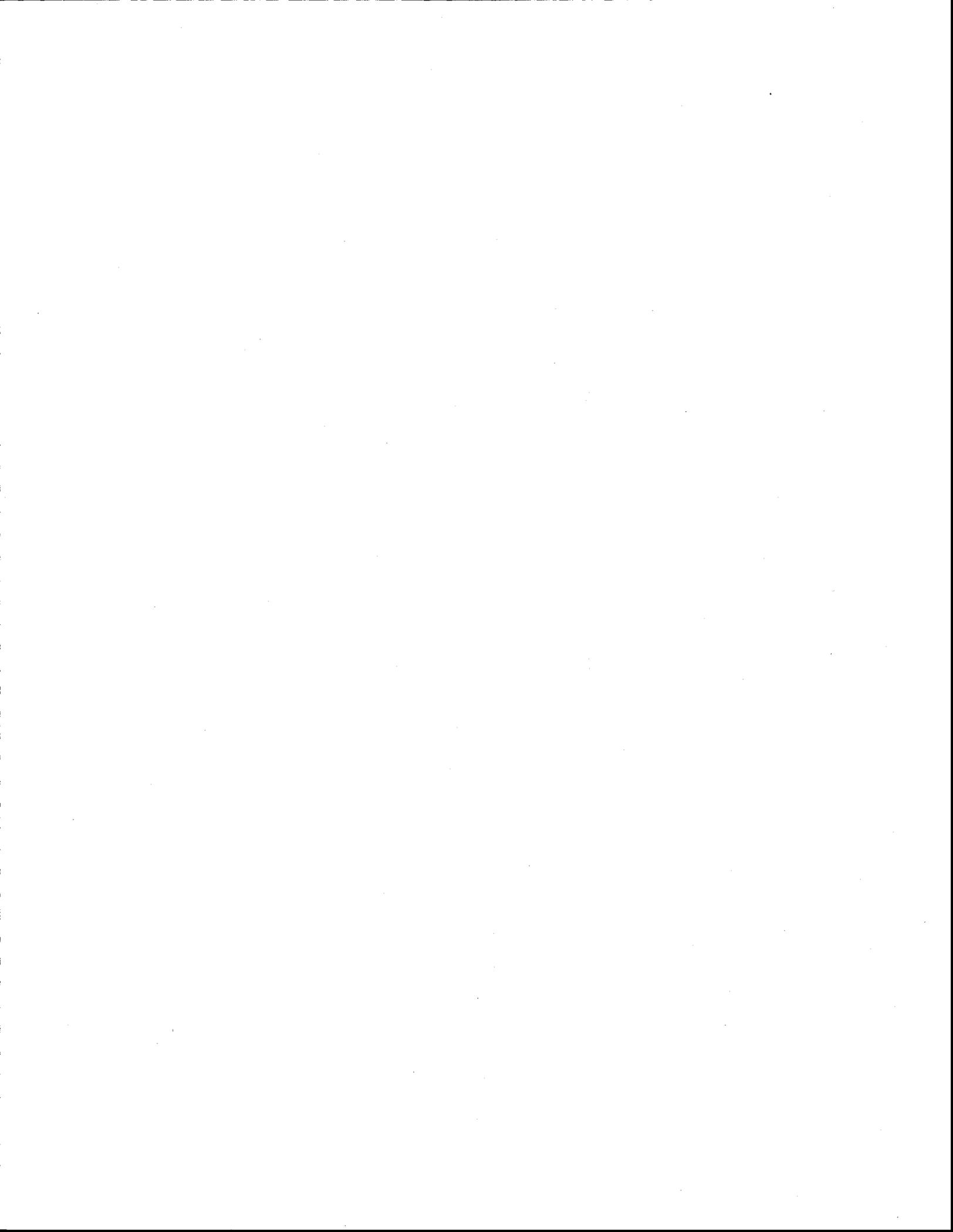
The Department of Revenue collects the alternate highway use tax, which is a gross receipts tax on vehicle rentals. Regional transit authorities are authorized to levy gross receipts taxes on vehicle rentals. The compliance and audit information gathered by the Department of Revenue could assist regional authorities in enforcing their vehicle rental taxes. G.S. 105-259 prohibits the Department of Revenue from revealing confidential tax information except in certain situations, however. Section 1 of this bill would authorize the Department of Revenue and regional transit authorities to exchange information about the vehicle rental taxes they collect when the exchange will aid either agency in fulfilling its duties.

Some counties audit vehicle rental dealers for property tax purposes. The information gathered by a county in such an audit could assist regional transit authorities in enforcing their vehicle rental taxes. G.S. 153A-148.1 prohibits counties from sharing tax information about a taxpayer's income or receipts, however. Section 2 of this bill would authorize counties and regional transit authorities to exchange tax information about vehicle rental dealers when the exchange will aid either agency in fulfilling its duties.

In 1997, the General Assembly enacted S.L. 1997-417, which authorized a regional transit authority to levy a gross receipts tax of up to 5% on retailers within the region engaged in the business of renting private passenger motor vehicles and motorcycles. The tax applies only to short-term rentals, *i.e.*, rentals for a period of less than one year. The tax is collected by the authority but is otherwise administered in the same way as the optional highway use tax on gross receipts from vehicle rentals. This optional highway use tax is 8% on short-term rentals, so the combined tax within the jurisdiction of the authority would be 13% if the authority levies the full 5% tax. Each authority may use the proceeds of the tax for its public transportation purposes. Before levying or increasing the tax, the authority must obtain approval from each county in the region.

A regional transit authority is a regional public transportation authority created under Article 26 of Chapter 160A of the General Statutes or a regional transportation authority created under Article 27 of Chapter 160A of the General Statutes. The authority created under Article 26, the Triangle Transit Authority for Wake, Durham, and Orange Counties, is governed by a board of trustees appointed by the counties creating the authority and larger cities within the counties. Article 27 of Chapter 160A, enacted in 1997, authorizes the creation of a regional transit authority for the Triad region. The Triad Transit Authority may be created by the four largest cities of the five counties served by the Authority in order to promote the development of sound transportation systems in the area served by the Authority. The Authority would be governed by a board of trustees consisting of the mayors of the four largest cities and the chair of each Metropolitan Planning Organization in the area. The counties served by the Authority would be Forsyth, Guilford, Randolph, Davidson, and Alamance. The four major cities involved in the creation of the Authority are Greensboro, High Point, Winston-Salem, and Burlington.

Summary prepared by Martha Harris, Attorney, Bill Drafting Division



PROPOSAL #2

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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98-LK-198C(2.7)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)

Short Title: Transit Rt of Way Protection.

(PUBLIC)

Sponsors: Senator Gulley.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE CERTAIN PUBLIC ENTITIES TO PROTECT RIGHTS-OF-
3 WAY FOR FUTURE PUBLIC TRANSIT DEVELOPMENT.
4 The General Assembly of North Carolina enacts:
5 Section 1. Chapter 160A of the General Statutes is
6 amended by adding a new Article to read:
7 "Article 11A.
8 "Transit Corridors.
9 "§ 160A-264. Transit corridor official map act.
10 (a) This Article may be referred to as the "Transit Corridor
11 Official Map Act.
12 (b) This Article shall apply to any of the following which
13 shall be called the "entity" in the remaining sections of this
14 Article:
15 (1) Regional public transportation authorities created
16 pursuant to Article 26 of this Chapter.
17 (2) Regional transportation authorities created
18 pursuant to Article 27 of this Chapter.
19 (3) Cities with a population of 50,000 or more based on
20 the most recent federal decennial census.
21 "§ 160A-264A. Transit corridor official map.
22 (a) A transit corridor official map may be adopted or amended
23 by the governing board of the entity for any proposed public
24 transit right-of-way, including proposed right-of-way, adjacent

1 stations and yards, and appurtenant parking facilities. Before
2 an entity adopts a transit corridor official map, the entity
3 shall obtain approval from the board of commissioners of any
4 affected county. No transit corridor official map shall be
5 adopted or amended, nor may any property be regulated under this
6 Article until:

7 (1) The governing board of the entity has held a public
8 hearing on the proposed map or amendment in each
9 affected county. Notice of the hearing shall be
10 provided:

11 a. By publication at least once a week for four
12 successive weeks prior to the hearing in a
13 newspaper having general circulation in the
14 county in which the transit corridor to be
15 designated is located.

16 b. By two week written notice to the Secretary of
17 Transportation, the Chairman of the Board of
18 County Commissioners, and the Mayor of any
19 city or town through whose corporate or
20 extraterritorial jurisdiction the transit
21 corridor passes.

22 c. By posting copies of the proposed transit
23 corridor map or amendment at the courthouse
24 door of all affected counties for at least 21
25 days prior to the hearing date. The notice
26 required in sub-subdivision a. above shall
27 make reference to this posting.

28 (2) A permanent certified copy of the transit corridor
29 official map or amendment has been filed with the
30 register of deeds. The boundaries may be defined
31 by a map or by a written description, or by a
32 combination of the two. The copy shall measure
33 approximately 20 inches by 12 inches, including no
34 less than one and one-half inches binding space on
35 the left-hand side.

36 (b) Transit corridor official maps and amendments shall be
37 distributed and maintained in the following manner:

38 (1) A copy of the official map and each amendment
39 thereto shall be filed in the office of the entity
40 and in the office of the district engineer for the
41 Department of Transportation.

42 (2) A copy of the official map, each amendment, and any
43 variance therefrom granted pursuant to G.S. 160A-
44 264C shall be furnished to the tax supervisor of

1 any affected county and tax collector of any
2 affected city. The portion of properties embraced
3 within a transit corridor and any variance granted
4 shall be clearly indicated on all tax maps
5 maintained by the county or city for the period
6 during which the designation remains in effect.
7 (3) Notwithstanding any other provision of law, the
8 certified copy filed with the register of deeds
9 shall be placed in a book maintained for that
10 purpose and cross-indexed by number of affected
11 road, street name, or other appropriate
12 description. The register of deeds shall collect a
13 fee of five dollars (\$5.00) for each map sheet or
14 page recorded.

15 (c) Within two years following the establishment of a transit
16 corridor official map or amendment, work shall begin on an
17 environmental impact statement or preliminary engineering. The
18 failure to begin work within the two-year period shall constitute
19 an abandonment of the corridor, and the provisions of this
20 Article shall no longer apply to properties or portions of
21 properties embraced within the transit corridor. An entity may
22 prepare environmental impact studies and preliminary engineering
23 work in connection with the establishment of a transit corridor
24 official map or amendments to a transit corridor official map.
25 When an entity prepares a transit corridor official map that
26 affects a street or highway that has been designated a State
27 responsibility pursuant to G.S. 136-66.2, the environmental
28 impact study and preliminary engineering work shall be reviewed
29 and approved by the Department of Transportation.

30 "§ 160A-264B. Effect of transit corridor official map.

31 (a) After a transit corridor official map is filed with the
32 register of deeds, no building permit shall be issued for any
33 building or structure or part of any building or structure
34 located within the transit corridor, nor shall approval of a
35 subdivision, as defined in G.S. 153A-335 and G.S. 160A-376, be
36 granted with respect to property within the transit corridor.
37 The entity shall be notified within 10 days of all requests for
38 building permits or subdivision approval within the transit
39 corridor. The provisions of this section shall not apply to
40 valid building permits issued for buildings and structures which
41 existed prior to the filing of the transit corridor provided the
42 size of the building or structure is not increased and the type
43 of building code occupancy as set forth in the North Carolina
44 Building Code is not changed.

1 (b) No application for building permit issuance or subdivision
2 plat approval shall be delayed by the provisions of this section
3 for more than three years from the date of its original
4 submittal.

5 "§ 160A-264C. Variance from transit corridor official map.

6 (a) The entity that initiated the transit corridor official
7 map shall establish procedures for considering petitions for
8 variance from the requirements of G.S. 160A-264B.

9 (b) The procedure established shall provide for written notice
10 to the Mayor and Chairman of the Board of County Commissioners of
11 any affected city or county, and for the hearing to be held in
12 the county where the affected property is located.

13 (c) A variance may be granted upon a showing that:

14 (1) Even with the tax benefits authorized by this
15 Article, no reasonable return may be earned from
16 the land; and

17 (2) The requirements of G.S. 160A-264B result in
18 practical difficulties or unnecessary hardships.

19 "§ 160A-264D. Advance acquisition of right-of-way within the
20 transit corridor.

21 (a) After a transit corridor official map is filed with the
22 register of deeds, the entity that initiated the transit corridor
23 official map may make advanced acquisition of specific parcels of
24 property when that acquisition is determined by the respective
25 governing board to be in the best public interest to protect the
26 transit corridor from development or when the transit corridor
27 official map creates an undue hardship on the affected property
28 owner.

29 (b) Prior to making any advanced acquisition of right-of-way
30 pursuant to this Article, the entity that initiated the transit
31 corridor official map shall develop and adopt appropriate
32 policies and procedures to govern any advanced acquisition of
33 right-of-way and to assure that any advanced acquisition is in
34 the best overall public interest."

35 Section 2. Chapter 153A is amended by adding a new
36 Article to read:

37 "Article 12A.

38 "Transit Corridors.

39 "§ 153A-245. Transit corridor official map act.

40 (a) This Article may be referred to as the "Transit Corridor
41 Official Map Act.

42 (b) This Article shall apply to any county with a population
43 of 100,000 or more based on the most recent federal decennial
44 census.

1 "§ 153A-245A. Transit corridor official map.

2 (a) A transit corridor official map may be adopted or amended
3 by the board of commissioners of the county for any proposed
4 public transit right-of-way, including proposed right-of-way,
5 adjacent stations and yards, and appurtenant parking facilities.
6 No transit corridor official map shall be adopted or amended, nor
7 may any property be regulated under this Article until:

8 (1) The board of commissioners of the county has held a
9 public hearing on the proposed map or amendment in
10 each affected county. Notice of the hearing shall
11 be provided:

12 a. By publication at least once a week for four
13 successive weeks prior to the hearing in a
14 newspaper having general circulation in the
15 county in which the transit corridor to be
16 designated is located.

17 b. By two week written notice to the Secretary of
18 Transportation and the Mayor of any city or
19 town through whose corporate or
20 extraterritorial jurisdiction the transit
21 corridor passes.

22 c. By posting copies of the proposed transit
23 corridor map or amendment at the courthouse
24 door for at least 21 days prior to the hearing
25 date. The notice required in sub-subdivision
26 a. above shall make reference to this posting.

27 (2) A permanent certified copy of the transit corridor
28 official map or amendment has been filed with the
29 register of deeds. The boundaries may be defined
30 by a map or by a written description, or by a
31 combination of the two. The copy shall measure
32 approximately 20 inches by 12 inches, including no
33 less than one and one-half inches binding space on
34 the left-hand side.

35 (b) Transit corridor official maps and amendments shall be
36 distributed and maintained in the following manner:

37 (1) A copy of the official map and each amendment to
38 the map shall be filed in the county manager's
39 office and in the office of the district engineer
40 for the Department of Transportation.

41 (2) A copy of the official map, each amendment, and any
42 variance therefrom granted pursuant to G.S. 153A-
43 245C shall be furnished to the tax supervisor of
44 the county and tax collector of any affected city.

1 The portion of properties embraced within a transit
2 corridor and any variance granted shall be clearly
3 indicated on all tax maps maintained by the county
4 or city for the period during which the designation
5 remains in effect.

6 (3) Notwithstanding any other provision of law, the
7 certified copy filed with the register of deeds
8 shall be placed in a book maintained for that
9 purpose and cross-indexed by number of affected
10 road, street name, or other appropriate
11 description. The register of deeds shall collect a
12 fee of five dollars (\$5.00) for each map sheet or
13 page recorded.

14 (c) Within two years following the establishment of a transit
15 corridor official map or amendment, work shall begin on an
16 environmental impact statement or preliminary engineering. The
17 failure to begin work within the two-year period shall constitute
18 an abandonment of the corridor, and the provisions of this
19 Article shall no longer apply to properties or portions of
20 properties embraced within the transit corridor. A county may
21 prepare environmental impact studies and preliminary engineering
22 work in connection with the establishment of a transit corridor
23 official map or amendments to a transit corridor official map.
24 When a county prepares a transit corridor official map that
25 affects a street or highway that has been designated a State
26 responsibility pursuant to G.S. 136-66.2, the environmental
27 impact study and preliminary engineering work shall be reviewed
28 and approved by the Department of Transportation.

29 "§ 153A-245B. Effect of transit corridor official map.

30 (a) After a transit corridor official map is filed with the
31 register of deeds, no building permit shall be issued for any
32 building or structure or part of any building or structure
33 located within the transit corridor, nor shall approval of a
34 subdivision, as defined in G.S. 153A-335 or G.S. 160A-376, be
35 granted with respect to property within the transit corridor.
36 The county shall be notified within 10 days of all requests for
37 building permits or subdivision approval within the transit
38 corridor. The provisions of this section shall not apply to
39 valid building permits issued for buildings and structures which
40 existed prior to the filing of the transit corridor provided the
41 size of the building or structure is not increased and the type
42 of building code occupancy as set forth in the North Carolina
43 Building Code is not changed.

1 (b) No application for building permit issuance or subdivision
2 plat approval shall be delayed by the provisions of this section
3 for more than three years from the date of its original
4 submittal.

5 "§ 153A-245C. Variance from transit corridor official map.

6 (a) The county that initiated the transit corridor official
7 map shall establish procedures for considering petitions for
8 variance from the requirements of G.S. 153A-245B.

9 (b) The procedure established shall provide for written notice
10 to the Mayor of any affected city and for a hearing to be held in
11 the county where the affected property is located.

12 (c) A variance may be granted upon a showing that:

13 (1) Even with the tax benefits authorized by this
14 Article, no reasonable return may be earned from
15 the land; and

16 (2) The requirements of G.S. 153A-245B result in
17 practical difficulties or unnecessary hardships.

18 "§ 153A-245D. Advance acquisition of right-of-way within the
19 transit corridor.

20 (a) After a transit corridor official map is filed with the
21 register of deeds, the county that initiated the transit corridor
22 official map may make advanced acquisition of specific parcels of
23 property when that acquisition is determined by the board of
24 commissioners to be in the best public interest to protect the
25 transit corridor from development or when the transit corridor
26 official map creates an undue hardship on the affected property
27 owner.

28 (b) Prior to making any advanced acquisition of right-of-way
29 pursuant to this Article, the county that initiated the transit
30 corridor official map shall develop and adopt appropriate
31 policies and procedures to govern any advanced acquisition of
32 right-of-way and to assure that any advanced acquisition is in
33 the best overall public interest."

34 Section 3. This act is effective when it becomes law.



PROPOSAL #2
SUMMARY
Transit Right of Way Protection

This bill substantially parallels the provisions of Article 2E of Chapter 136. That Article, enacted in 1988, established Roadway Corridor Official maps as a tool to preserve rights-of-way for future highway construction.

This bill provides that a transit corridor official map may be adopted by the governing board of an Article 26 or Article 27 regional public transportation authority, or by a city of 50,000 or more. Once adopted according to the procedure in the bill, no development can occur in the identified corridor for a two-year period. The bill provides for reservation of a corridor for right-of-way, adjacent stations, yards, and parking facilities. The last section of the bill allows the transportation authority or city to make advanced acquisition, by condemnation, of parcels where the corridor preservation creates an undue hardship on the affected property owner.

Summary by Ken Levenbook, Attorney, Bill Drafting Division



PROPOSAL #3

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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98-LK-216(4.23)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)

Short Title: Transportation Corridors.

(Public)

Sponsors: Senator Gulley.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE THE DEPARTMENT OF TRANSPORTATION TO CREATE
3 TRANSPORTATION CORRIDORS AND PROTECT THEM FROM DEVELOPMENT.
4 The General Assembly of North Carolina enacts:
5 Section 1. Chapter of 136 is amended by adding a new
6 Article to read:
7 "ARTICLE 2F.
8 "Transportation Corridor Official Map Act.
9 "§ 136-44.60. Transportation corridor official map act.
10 (a) A transportation corridor official map may be adopted or
11 amended by the Department of Transportation for any of the
12 following:
13 (1) Any portion of the existing or proposed State
14 highway system.
15 (2) Any portion of a railroad project contained in the
16 Transportation Improvement Program adopted pursuant
17 to G.S. 143B-350(f)(4).
18 (3) Any other transportation project or system
19 contained in the Transportation Improvement Program
20 adopted pursuant to G.S. 143B-350(f)(4).
21 No roadway corridor official map shall be adopted or amended, nor
22 may any property be regulated under this Article until:
23 (1) The Department of Transportation in each county
24 affected by the map, has held a public hearing on

- 1 the proposed map or amendment. Notice of the
2 hearing shall be provided:
- 3 a. By publication at least once a week for four
4 successive weeks prior to the hearing in a
5 newspaper having general circulation in the
6 county in which the roadway corridor to be
7 designated is located.
- 8 b. By two week written notice to the the Chairman
9 of the Board of County Commissioners and the
10 Mayor of any city or town through whose
11 corporate or extraterritorial jurisdiction the
12 transportation corridor passes.
- 13 c. By posting copies of the proposed
14 transportation corridor map or amendment at
15 the courthouse door for at least 21 days prior
16 to the hearing date. The notice required in
17 sub-subdivision a. above shall make reference
18 to this posting.
- 19 (2) A permanent certified copy of the transportation
20 corridor official map or amendment has been filed
21 with the register of deeds. The boundaries may be
22 defined by a map, by a written description, or by a
23 combination of the two. The copy shall measure
24 approximately 20 inches by 12 inches, including no
25 less than one and one-half inches binding space on
26 the left-hand side.
- 27 (b) Transportation corridor official maps and amendments shall
28 be distributed and maintained in the following manner:
- 29 (1) A copy of the official map and each amendment shall
30 be filed in the office of the city clerk and in the
31 office of the district engineer.
- 32 (2) A copy of the official map and each amendment and
33 any variance granted the map or amendment pursuant
34 to G.S. 136-44.62 shall be furnished to the tax
35 supervisor of any county and tax collector of any
36 city affected thereby. The portion of properties
37 embraced within a roadway corridor and any variance
38 granted shall be clearly indicated on all tax maps
39 maintained by the county or city for such period as
40 the designation remains in effect.
- 41 (3) Notwithstanding any other provision of law, the
42 certified copy filed with the register of deeds
43 shall be placed in a book maintained for that
44 purpose and cross-indexed by number of road, street

1 name, or other appropriate description. The
2 register of deeds shall collect a fee of five
3 dollars (\$5.00) for each map sheet or page
4 recorded.

5 (c) Within two years following the establishment of a
6 transportation corridor official map or amendment, work shall
7 begin on an environmental impact statement or preliminary
8 engineering. The failure to begin work within the two-year
9 period shall constitute an abandonment of the corridor, and the
10 provisions of this Article shall no longer apply to properties or
11 portions of properties embraced within the transportation
12 corridor."

13 "§ 136-44.51. Effect of transportation corridor official map.

14 (a) After a transportation corridor official map is filed with
15 the register of deeds, no building permit shall be issued for any
16 building or structure or part thereof located within the
17 transportation corridor, nor shall approval of a subdivision, as
18 defined in G.S. 153A-335 and G.S. 160A-376, be granted with
19 respect to property within the transportation corridor. The
20 district engineer of the Highway District in which the
21 transportation corridor is located shall be notified within 10
22 days of all requests for building permits or subdivision approval
23 within the transportation corridor. The provisions of this
24 section shall not apply to building permits for buildings and
25 structures which existed prior to the filing of the
26 transportation corridor provided the size of the building or
27 structure is not increased and the type of building code
28 occupancy as set forth in the North Carolina Building Code is not
29 changed.

30 (b) No application for building permit issuance or subdivision
31 plat approval shall be delayed by the provisions of this section
32 for more than three years from the date of its original
33 submittal."

34 "§ 136-44.62. Variance from transportation corridor official
35 map.

36 (a) The Department of Transportation shall establish
37 procedures for considering petitions for variance from the
38 requirements of G.S. 136-44.61.

39 (b) The procedure established by the State shall provide for
40 written notice to the Mayor and Chairman of the Board of County
41 Commissioners of any affected city or county, and for the hearing
42 to be held in the county where the affected property is located.

43 (c) A variance may be granted upon a showing that:

1 (1) Even with the tax benefits authorized by this
2 Article, no reasonable return may be earned from
3 the land; and

4 (2) The requirements of G.S. 136-44.61 result in
5 practical difficulties or unnecessary hardships."

6 "§ 136-44.63. Advance acquisition of right-of-way within the
7 transportation corridor.

8 (a) After a transportation corridor official map is filed with
9 the register of deeds the Department of Transportation may make
10 advanced acquisition of specific parcels of property when that
11 acquisition is determined by the Department to be in the best
12 public interest to protect the transportation corridor from
13 development or when the transportation corridor official map
14 creates an undue hardship on the affected property owner.

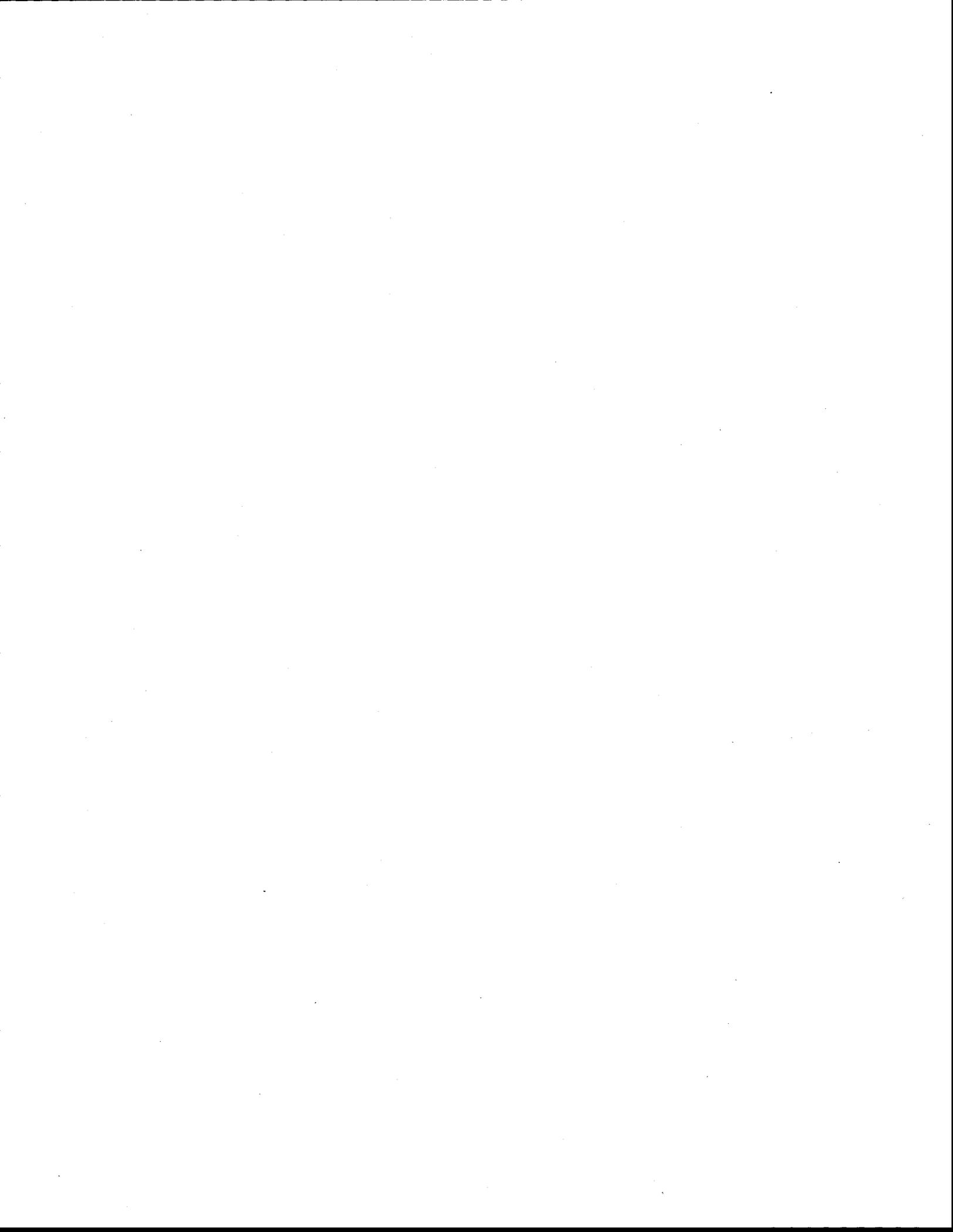
15 (b) Prior to making any advanced acquisition of right-of-way
16 under the authority of this Article the Department of
17 Transportation shall develop and adopt appropriate policies and
18 procedures to govern the advanced acquisition of right-of-way and
19 to assure such advanced acquisition is in the best overall public
20 interest."

21 Section 2. This act is effective when it becomes law.

PROPOSAL #3
SUMMARY
Transportation Corridors

This bill substantially parallels the provisions of Article 2E of Chapter 136. That Article, enacted in 1988, established Roadway Corridor Official maps as a tool to preserve rights-of-way for future highway construction.

This bill provides that a transit corridor official map may be adopted by the Department of Transportation. Once adopted according to the procedure in the bill, no development can occur in the identified corridor for a two-year period. The bill provides for reservation of a corridor for right-of-way, adjacent stations, yards, and parking facilities. The last section of the bill allows the Department to make advanced acquisition, by condemnation, of parcels where the corridor preservation creates an undue hardship on the affected property owner.



PROPOSAL #4

LEGISLATIVE
DRAFTING

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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98-LC-257(2.6)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)

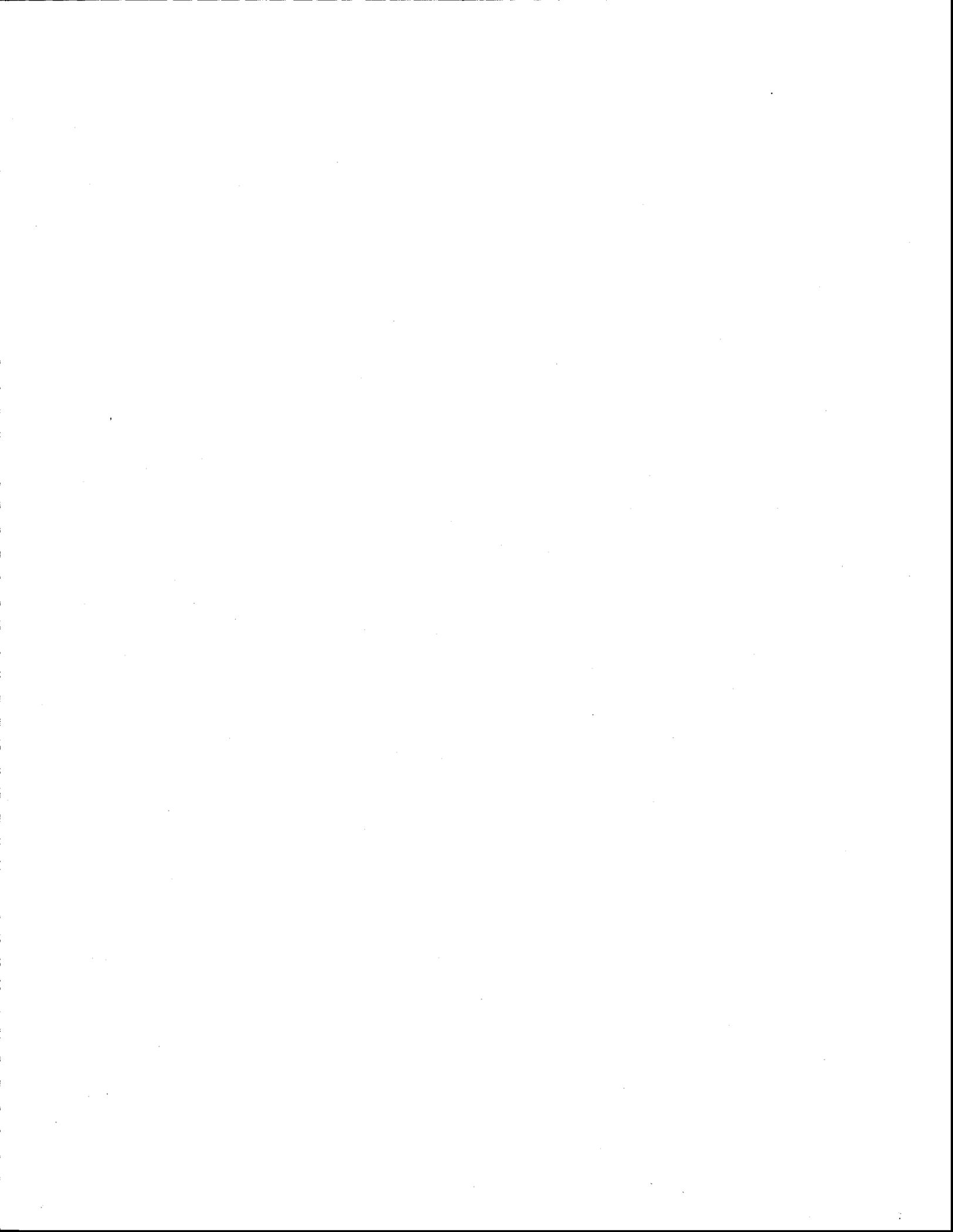
Short Title: COPS for Transit Authorities.

(Public)

Sponsors: Senator Gulley.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE REGIONAL TRANSIT AUTHORITIES TO USE
3 INSTALLMENT PURCHASE FINANCING.
4 The General Assembly of North Carolina enacts:
5 Section 1. G.S. 160A-20(h) is amended by adding a new
6 subdivision to read:
7 "(11) A regional public transportation authority or a
8 regional transportation authority created pursuant
9 to Article 26 or Article 27 of this Chapter."
10 Section 2. G.S. 160A-610 is amended by adding a new
11 subdivision to read:
12 "(9a) To purchase or finance real or personal property
13 in the manner provided for cities and counties
14 under G.S. 160A-20;"
15 Section 3. G.S. 160A-639 is amended by adding a new
16 subdivision to read:
17 "(9a) To purchase or finance real or personal property
18 in the manner provided for cities and counties
19 under G.S. 160A-20;"
20 Section 4. This act is effective when it becomes law.
21



PROPOSAL # 4
SUMMARY
COPS for transit authorities

Proposal #4 would authorize Regional Transportation Authorities to use installment purchase financing.

Installment purchase financing is a type of local government debt created when a local unit enters into an installment contract secured by a security interest in the property constructed or renovated. Certificates of participation may be issued as part of the installment purchase financing. A certificate of participation is a document setting out the share of the local unit's debt owed to the holder of the certificate. In practice, the holder receives interest and principal payments in a manner similar to interest and principal payments on a bond issued by the borrowing unit. Unlike the issuance of general obligation bonds, however, installment purchase financing is not subject to a vote of the people.



PROPOSAL #5

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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98-LK-197B(2.7)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)

Short Title: Transit Authy Purchasing Option.

(Public)

Sponsors: Senator Gulley.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE AN ALTERNATIVE PROCUREMENT BY COMPETITIVE
3 PROPOSAL PROCEDURE FOR THE PURCHASE OF APPARATUS, SUPPLIES,
4 MATERIALS, OR EQUIPMENT BY A REGIONAL PUBLIC TRANSPORTATION
5 AUTHORITY OR A REGIONAL TRANSPORTATION AUTHORITY.
6 The General Assembly of North Carolina enacts:
7 Section 1. G.S. 143-129 is amended by adding a new
8 subsection to read:
9 "(h) Notwithstanding any other provision of law, any board or
10 governing body of any regional public transportation authority,
11 hereafter referred to as a "RPTA," created pursuant to Article 26
12 of Chapter 160A of the General Statutes or a regional
13 transportation authority, hereafter referred to as a "RTA,"
14 created pursuant to Article 27 of Chapter 160A of the General
15 Statutes may approve the entering into any contract for the
16 purchase, lease, or other acquisition of any apparatus, supplies,
17 materials, or equipment without competitive bidding and without
18 meeting the requirements of subsection (b) of this section if the
19 following procurement by competitive proposal (Request for
20 Proposal) method, outlined in the United States Department of
21 Transportation, Federal Transit Administration, Circular FTA C
22 4220.1D (April 15, 1996) is followed.
23 The competitive proposal method of procurement is normally
24 conducted with more than one source submitting an offer or

1 proposal. Either a fixed price or cost reimbursement type
2 contract is awarded. This method of procurement is generally
3 used when conditions are not appropriate for the use of sealed
4 bids. If this procurement method is used all of the following
5 requirements apply:

- 6 (1) Requests for proposals shall be publicized. All
7 evaluation factors shall be identified along with
8 their relative importance.
9 (2) Proposals shall be solicited from an adequate
10 number of qualified sources.
11 (3) RPTAs or RTAs shall have a method in place for
12 conducting technical evaluations of proposals
13 received and selecting awardees.
14 (4) Awards shall be made to the responsible firm whose
15 proposal is most advantageous to the RPTA's or the
16 RTA's program with price and other factors
17 considered.

18 The board or governing body of the RPTA or the RTA shall, at
19 the regularly scheduled meeting shall by formal motion make
20 findings of fact that the procurement by competitive proposal
21 (Request for Proposals) method of procuring the particular
22 apparatus, supplies, materials, or equipment is the most
23 appropriate acquisition method prior to the issuance of the
24 requests for proposals and shall by formal motion certify that
25 the requirements of this subsection have been followed before
26 approving the contract."

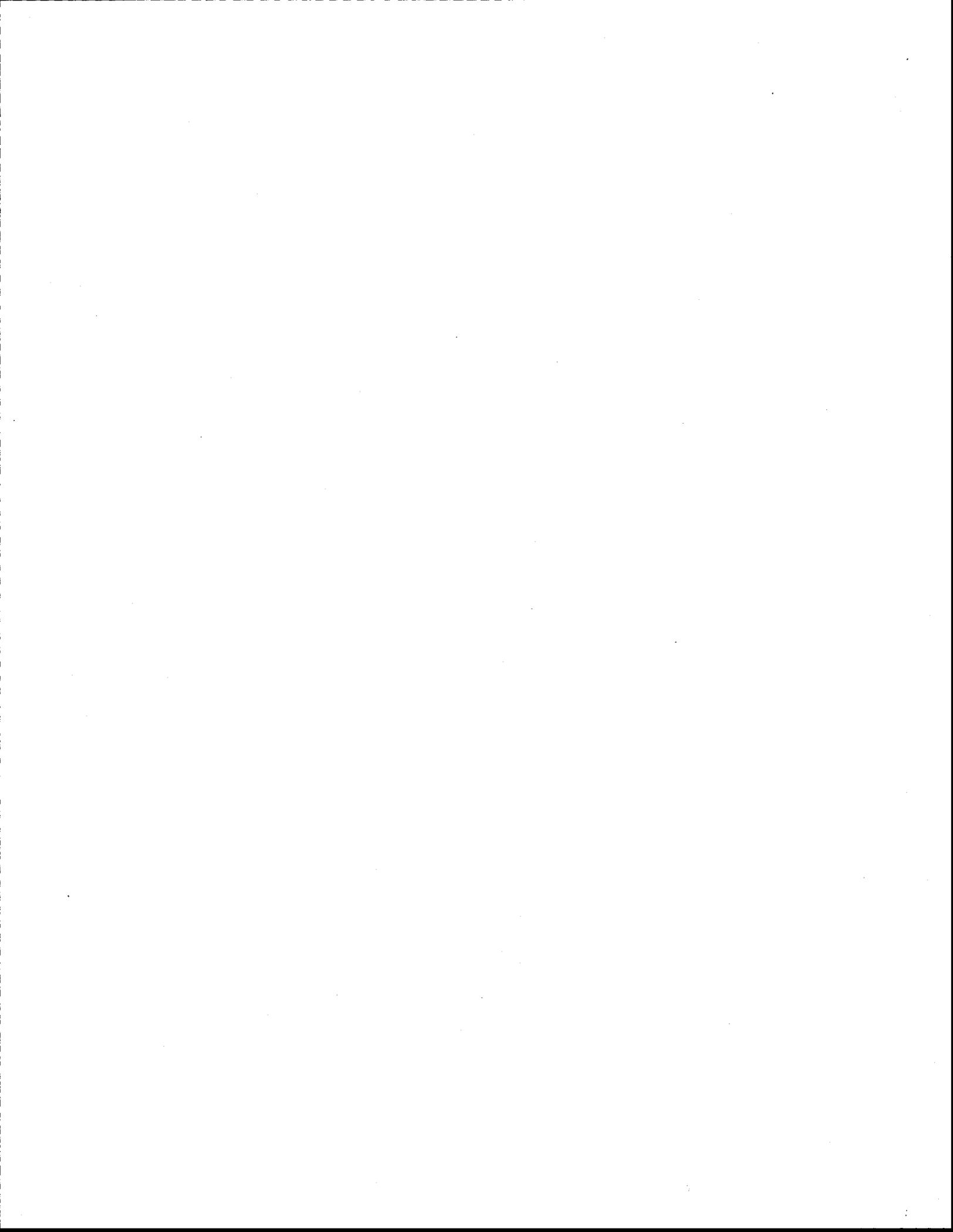
27 Section 2. This act is effective when it becomes law.

PROPOSAL #5
SUMMARY
Transit Authority Purchasing Option

This bill authorized an Article 26 or Article 27 regional transportation authority to use an alternate procurement by competitive proposal procedure for the purchase of apparatus, supplies, materials, or equipment, as outlined in the cited Federal Transit Administration Circular to allow for procurements by Request for Proposals (RFPs). Under this alternative procedure, the purchaser publicizes a need and allows the suppliers to respond with what they have available to meet the needs. As an example, for diesel railroad trains, there might be five companies in the world that manufacture those trains and the regional public transportation authority would publicize that it wants to purchase a three car train. The manufacturers would then submit proposals for providing that train. The allowed procedure requires that the evaluation factors for reviewing the proposals must be identified, publicized, and rated by relative importance; the method of technically evaluating the proposals must be in place; and the award must be the most advantageous to the authority's program considering all relevant factors.

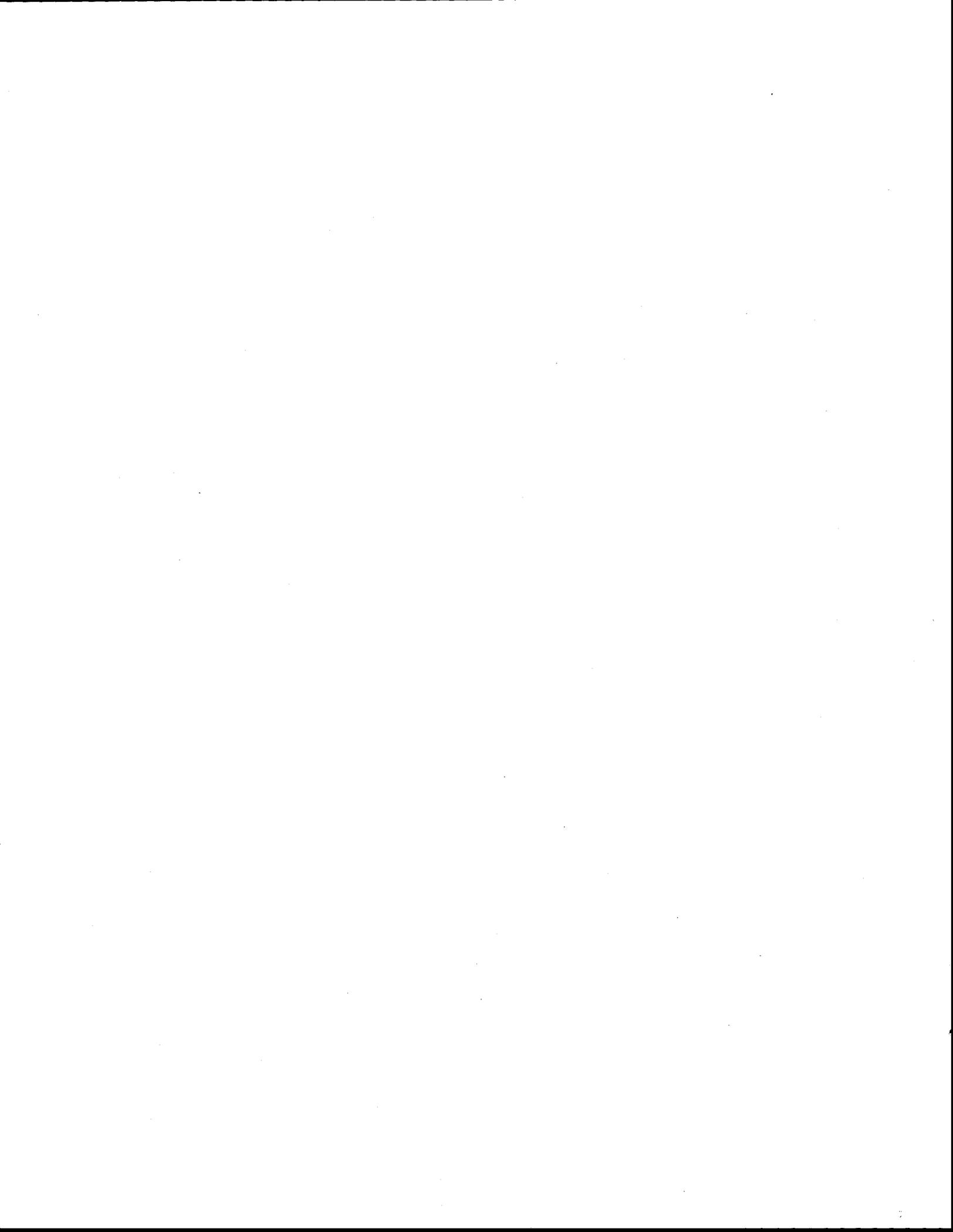
As a control, the governing board of the authority shall make a finding of fact that the RFP procedure is the most appropriate procedure for making the acquisition and then make a finding of fact that the procedure was followed prior to awarding the contract.





PROPOSAL #6
SUMMARY
Audit DOT Public Transit & Rail

This bill directs the State Auditor to conduct a performance audit of the Public Transportation and Rail Divisions of the Department of Transportation, to be completed by February 1, 1998.



PROPOSAL #7

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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98-DRW-028

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)

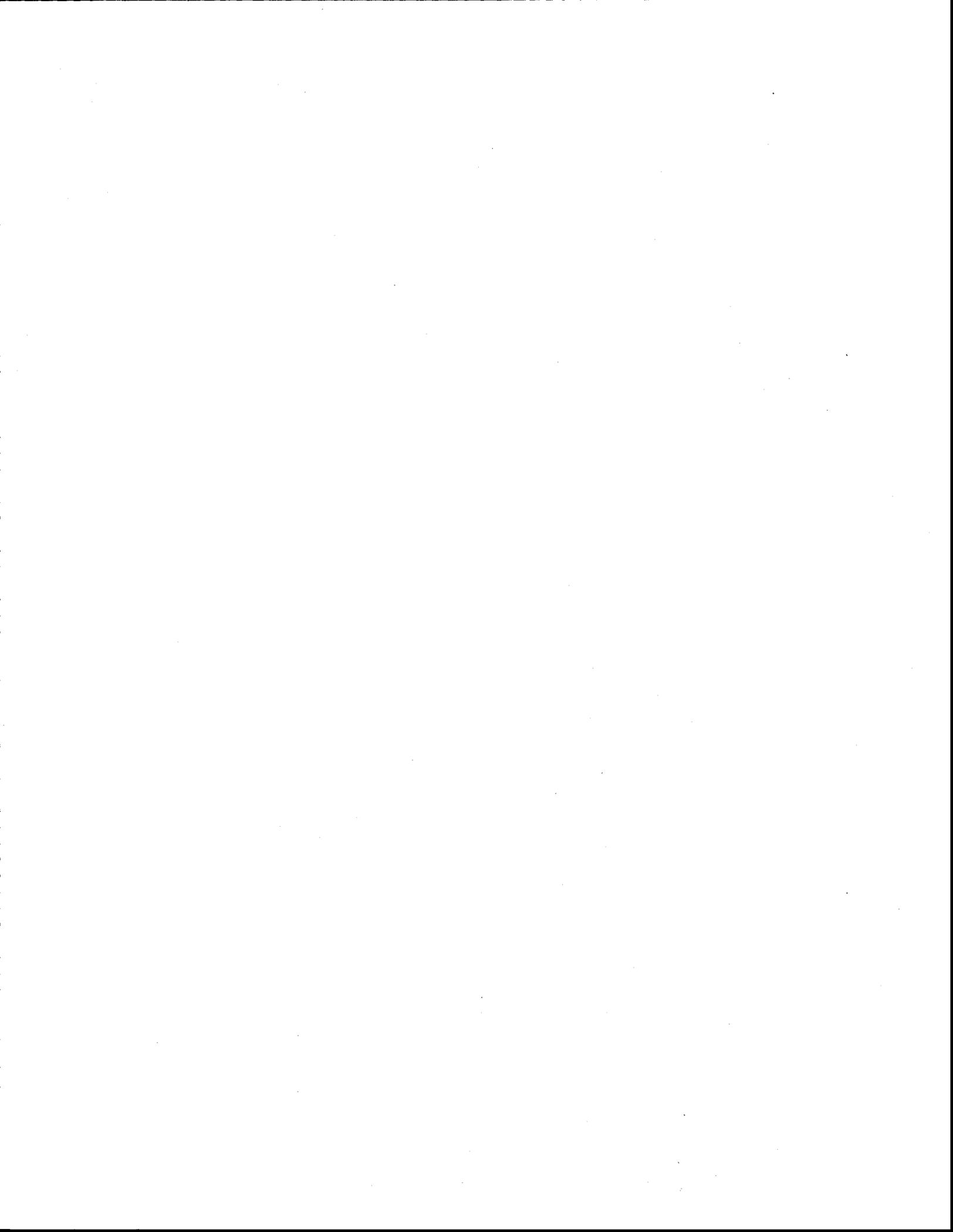
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Short Title: Repeal DOT Sales Tax Reimbursement. (Public)

Sponsors:

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO REPEAL THE REQUIREMENT THAT DOT REIMBURSE THE GENERAL
3 FUND FOR SALES AND USE TAX REVENUE THAT IS NOT REALIZED BY THE
4 FUND AS A RESULT OF THE DOT EXEMPTION FROM THE SALES AND USE
5 TAX.
6 The General Assembly of North Carolina enacts:
7 Section 1. G.S. 105-164.44D is repealed.
8 Section 2. This act becomes effective July 1, 1998.



PROPOSAL #7
SUMMARY
Repeal DOT Sales Tax Reimbursement

This bill repeals G.S. 105-164.44D, the requirement that DOT reimburse the General Fund for sales and use tax revenue that is not realized by the fund as a result of the DOT exemption. This change would result in an approximate \$13.4 million gain in the Highway Fund for FY 1998-99.

